

## EXHIBIT 2

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## Puerto Rico

### Governor 'Surprised' by PROMESA Board Questions on Essential Services

Gov. Ricardo Rosselló said today that he was “surprised” by the PROMESA oversight board’s [letter](#) last Friday calling on the administration to define essential services because the board has already certified the commonwealth’s long-term fiscal plan and the fiscal year 2018 budget proposal. The governor said the letter is “contradictory” because it questions spending proposals that the board has already approved.

During a press conference this afternoon, the governor said he would be answering the board letter, which called on the administration to define what constitutes “essential services” in the context of PROMESA and to deliver implementation plans for government right-sizing and spending reduction measures. The letter to Rosselló and legislative leaders also raised concerns over “receding” progress and “waning” resolve on reaching PROMESA targets.

The governor said the PROMESA oversight board is the only entity with the power to approve the commonwealth fiscal plan and its annual budget proposals.

“They have certified a fiscal plan and they have certified the budget...Within the context of that decision they had to determine if essential services will be impacted or if they will be funded,” the governor said.

“They have the sole discretion to be able to reject anything related to those two processes, but they did not do it in either of the two cases. We were surprised when on this occasion they pointed to the elements of essential services when they in essence passed judgement on this on two different occasions,” the governor added.

Rosselló also criticized the letter’s call for renewed transparency and cooperation, saying the commonwealth fiscal team has been meeting “continuously” with the board and its advisors on a nearly daily basis. The PROMESA board submissions in the Title III proceeding have recognized the great transparency that our administration has had,” the governor added.

Elías Sánchez, the governor’s non-voting representative to the board, responded to last week’s board letter by saying that the administration “clearly understands the severity of the fiscal situation.”

Sánchez said in a written [statement](#) that most of the board concerns raised in the letter have been addressed during “nearly daily” meetings between the board and the government’s fiscal team, which have delved into budgetary specifics and the implementation plans to achieve the goals contained in Puerto Rico’s long-term fiscal plan.

Sánchez said he addressed the fiscal challenges mentioned in the board letter during a press conference last week, during which he discussed the steps the government has taken to address the insolvency of the retirement system and a projected decrease in federal healthcare funds for Puerto Rico. “We have taken extraordinary measures to be prepared in terms of liquidity,” the governor’s board representative said.

The PROMESA oversight board letter came in the wake of separate letters to PROMESA Board chairman José Carrión last week from [U.S. Sen. Tom Cotton, R-Ark.](#), and [U.S. House Natural Resources Committee Chairman Rob Bishop, R-Utah](#), the latter of whom steered the passage of PROMESA in Congress, that were critical of some of the board's moves to date.

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